

UNITED STATES BANKRUPTCY  
COURT

EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DISTRICT

FILED  
AUG 20 P 2:25  
U.S. BANKRUPTCY COURT  
E.D. MICHIGAN - DETROIT

IN RE: CITY OF DETROIT, MICHIGAN,  
DEBTOR

Chapter 9

Case No. 13-53846

Pres. Jdg: Hon. Steven W. Rhodes

Acknowledgement of Receipt of Filing (s)

I, Genre Brogue, on this date of Monday, August Nineteenth in the year of Two Thousand Thirteen would like to acknowledge in writing that I did receive a copy of the City of Detroit's Chapter 9 Bankruptcy Case filed with the above named court on July 18, 2013.

Whereas upon phoning the Hotline number provided I was informed I received the formal notification only because I am a resident of the City of Detroit, the receipt of an offer to purchase my claim for 15 cents per dollar by Contrarian Capital Management, L.L.C. prompted me to respond accordingly in order to offset any hidden DEFAULT CLAUSES unforeseen by me.

Since neither party would quote any amount owed to me when asked, I leave the matter to the discretion of the assigned Judge of the specified Court.

Signed by:

Mr. Genre Brogue, PhD, J. #50999

cc: City of Detroit c/o KCC

cc: Contrarian Capital Management, L.L.C.

City of Detroit, Michigan  
c/o KCC  
2335 Alaska Ave  
El Segundo, CA 90245

PRF 60134 11590864

025262

Brogue, Genre  
2710 W. Chicago  
Apt 105  
Detroit MI 48206

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UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

In re	:	Chapter 9
CITY OF DETROIT, MICHIGAN,	:	Case No. 13-53846
Debtor.	:	Hon. Steven W. Rhodes

**NOTICE OF COMMENCEMENT OF CASE UNDER CHAPTER 9, NOTICE OF AUTOMATIC STAY  
AND PURPOSES OF CHAPTER 9, NOTICE OF DEADLINE AND PROCEDURES FOR FILING  
OBJECTIONS TO THE CHAPTER 9 PETITION AND NOTICE OF CITY'S MOTION TO LIMIT NOTICE**

TO ALL CREDITORS OF THE CITY OF DETROIT, MICHIGAN, AND TO OTHER PARTIES IN INTEREST:  
PLEASE TAKE NOTICE OF THE FOLLOWING:

**Commencement of Chapter 9 Case**

1. On July 18, 2013, the City of Detroit, Michigan commenced a case (the "Chapter 9 Case") under chapter 9 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Eastern District of Michigan, Southern Division (the "Bankruptcy Court"). The City's Chapter 9 Case was commenced pursuant to an order issued by Kevyn D. Orr, in his capacity as emergency manager of the City (in such capacity, the "Emergency Manager") under section 18 of Public Act 436 of 2012 ("PA 436"). The Chapter 9 Case is pending before the Honorable Steven W. Rhodes, United States Bankruptcy Judge.

**Automatic Stay**

2. Pursuant to sections 362 and 922 of the Bankruptcy Code, the filing of the City's chapter 9 petition operates as an automatic stay of actions against the City, including, among other things: (a) the enforcement of any judgment; (b) any act to obtain property from the City; (c) any act to create, perfect or enforce any lien against property of the City; (d) any act to collect, assess or recover a claim against the City; and (e) the commencement or continuation of any judicial, administrative or any other action or proceeding against the City, the Emergency Manager or any other officer or inhabitant of the City that seeks to enforce a claim against the City (the "Chapter 9 Stay").

3. On July 25, 2013, the Bankruptcy Court entered discrete orders: (a) confirming that the protections of the Chapter 9 Stay apply to the City and its officers and inhabitants, including the Emergency Manager (Docket No. 167); and (b) extending the Chapter 9 Stay to (i) the Governor of the State of Michigan (the "Governor"), the Treasurer of the State of Michigan and the Local Emergency Financial Assistance Loan Board of the State of Michigan, together with each entity's staff, agents and representatives, (ii) employees of the City that are neither City officers nor inhabitants of the City and (iii) agents and representatives of the Governor and the Emergency Manager (Docket No. 166).

**Purpose of the Chapter 9 Filing**

4. Chapter 9 of the Bankruptcy Code provides a means for a municipality (such as the City) that has encountered financial difficulty to work with its creditors to adjust its debts. The primary purpose of chapter 9 is to allow the municipality to continue its operations and its provision of services while it adjusts or restructures creditor obligations. In a chapter 9 case, the jurisdiction and powers of the Bankruptcy Court are limited such that it may not interfere with any of the political or governmental powers of the City or the City's use or enjoyment of any income-producing property. During this Chapter 9 Case, the Emergency Manager will continue to manage the affairs of the City according to his authority under PA 436. Under section 18(1) of PA 436, the Emergency Manager acts exclusively on the City's behalf in this Chapter 9 Case.

5. The City intends to propose a plan for the adjustment of its debts. Future notice concerning any such plan will be provided to all known creditors.

**Deadline for Objections to Petition and Entry of an Order for Relief**

6. The City has filed papers in support of its eligibility to be a debtor under chapter 9 of the Bankruptcy Code (the "Documentary Support").<sup>1</sup> Objections to the City's chapter 9 petition may be filed by a creditor or party in interest by August 19, 2013 (the "Eligibility Objection Deadline"). Any such objection shall state the facts and

<sup>1</sup> The Documentary Support includes: (a) a Statement of Qualifications Pursuant to Section 109(c) of the Bankruptcy Code (Docket No. 10); (b) an accompanying memorandum of law (Docket No. 14); (c) supporting declarations of Kevyn D. Orr (Docket No. 11), Gaurav Malhotra (Docket No. 12) and Charles M. Moore (Docket No. 13); and (d) the accompanying exhibits for each of the foregoing. The City reserves the right to file additional papers in support of its eligibility for chapter 9 relief and in opposition to any objections thereto.

legal authorities in support of such objection; shall comply with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure and the Local Rules of the Bankruptcy Court; and shall be filed with the Bankruptcy Court.

7. If any Eligibility Objections are filed on or before the Eligibility Objection Deadline in accordance with the above procedures, the following schedule shall apply to the adjudication of the Eligibility Objections:

- August 23, 2013 shall be the deadline for the City and any party that files a timely and proper Eligibility Objection to serve written discovery requests;
- September 6, 2013 shall be the deadline for the City to file responses to the Eligibility Objections;
- September 13, 2013 shall be the deadline for compliance with written discovery requests;
- September 23, 2013 shall be the deadline to complete non-expert depositions;
- September 23, 2013 shall be the deadline to designate expert witnesses and submit expert reports;
- October 3, 2013 shall be the deadline for the counter-designation of experts and submission of reports;
- October 10, 2013 shall be the deadline for the completion of expert depositions; and
- October 17, 2013 shall be the deadline for the filing of any pre-trial briefs.

8. A pre-trial conference shall be conducted on October 21, 2013 at 10:00 a.m., Eastern Time, in Courtroom 100 at the United States Bankruptcy Court for the Eastern District of Michigan, 231 West Lafayette Street, Detroit, Michigan 48226.

9. A hearing on the Eligibility Objections (an "Eligibility Hearing") shall be conducted on October 23, 2013 at 9:00 a.m., Eastern Time, in Courtroom 100 at the United States Bankruptcy Court for the Eastern District of Michigan, Southern Division, 231 West Lafayette Street, Detroit, Michigan 48226 (with additional days to be scheduled as necessary).

10. Any Eligibility Objections must be advocated in person at all hearings on such objections, including, without limitation, the Eligibility Hearing, or the Court in its discretion may not consider such Eligibility Objections.

11. Proceedings in this Chapter 9 Case will not be stayed pending the Court's adjudication of any Eligibility Objections and entry of an order for relief.

12. If no timely and proper Eligibility Objections are filed and served in accordance with this Order, no Eligibility Hearing will be conducted and the City's request for relief under chapter 9 of the Bankruptcy Code will be deemed granted.

**IF NO OBJECTIONS ARE TIMELY AND PROPERLY FILED, OR IF ALL TIMELY AND PROPER ELIGIBILITY OBJECTIONS ARE OVERRULED BY THE COURT OR RESOLVED, THE FILING OF THE CITY'S CHAPTER 9 PETITION SHALL BE DEEMED AN ORDER FOR RELIEF UNDER CHAPTER 9 OF THE BANKRUPTCY CODE, AND THIS NOTICE SHALL BE DEEMED NOTICE OF SUCH ORDER FOR RELIEF.**

**Motion to Limit Notice**

13. The City also has requested that the Bankruptcy Court enter an order limiting notice of certain initial filings in the City's bankruptcy case to certain creditors and interested parties. If you wish to receive further notices in this case, you are encouraged to appear formally in this Chapter 9 Case and file with the Bankruptcy Court a written request for service of papers pursuant to the Federal Rules of Bankruptcy Procedure.

**Case Information**

14. All documents filed in this case are available free of charge at the City's restructuring website at [www.kccfile.net/Detroit](http://www.kccfile.net/Detroit); the court's website, [www.mieb.uscourts.gov](http://www.mieb.uscourts.gov); or, on a paid subscription basis, through the Bankruptcy Court's PACER system at [ecf.mieb.uscourts.gov](http://ecf.mieb.uscourts.gov). Additional information about the City's restructuring is available at the Emergency Manager's page on the City's website at [www.detroitmi.gov/EmergencyManager](http://www.detroitmi.gov/EmergencyManager). Inquiries about this case also may be directed to the City's Chapter 9 Information Hotline at (877) 298-6736.

Dated August 6, 2013

/s/ Katherine B. Gullo  
Clerk of Court

# CONTRARIAN CAPITAL MANAGEMENT, L.L.C.

411 WEST PUTNAM AVENUE, SUITE 425, GREENWICH, CT 06030  
TEL (800) 266-3810 (203) 862-8232 FAX (203) 485-5910

Re: City of Detroit, Michigan

August 13, 2013

Dear Sir or Madam,

Contrarian Capital Management, L.L.C., a multi billion dollar money management firm founded in 1995, ("Contrarian") would like to purchase your claim against the above-referenced Chapter 9 debtor (the "Debtor"). We encourage you to consider our offer of 15 cents per dollar for such claim, which must be recognized by the Debtor as a liquidated, undisputed, and non-contingent general unsecured claim.

This offer is based upon market conditions, the actual size and type of claim and your claim being recognized by the Debtor. Claims will be purchased on a first offered, first bought basis, and Contrarian reserves the right to reject any claims presented. Contrarian's purchase of your claim would be subject to the execution and delivery of the Transfer of Claim Agreement (a copy of which will be provided upon request) and due diligence, including review of the documents that support your claim and counter-party approval. You understand that the amount Contrarian may offer for your claim could be more or less than you might receive if and when a confirmed Plan of Reorganization or for the Debtor is approved. We recommend that you familiarize yourself with the public information with respect to these cases. While Contrarian believes this is the highest offer currently in the market for such claims, if this is not your best offer, please contact us.

To further discuss sale of your claim, please contact Rhoda Freeman or John Bright at (800) 266-3810 or (203) 862-8232. We may also be reached via email at [Freeman@ContrarianCapital.com](mailto:Freeman@ContrarianCapital.com) or [Jbright@ContrarianCapital.com](mailto:Jbright@ContrarianCapital.com). For additional information about Contrarian, please visit our website [www.contrariantradeclaims.com](http://www.contrariantradeclaims.com).

Sincerely,

CONTRARIAN CAPITAL MANAGEMENT, L.L.C.